



INTERNATIONAL EGG AND POULTRY REVIEW

ISSN 1522-5100



U. S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News Branch

World Egg Production

World egg production reached 56.59 million metric tons (mt) in 2001, an increase of almost 2.2 percent. Production in Africa rose 1.3 percent to about 2mt, in Asia 2.3 percent to 33.9mt, in North Central America 2.2 percent to 7.8mt, in South America 2.3 percent to 2.9mt and in Europe 1.8 percent to 9.5mt. Asia accounted for almost 60 percent of world egg production. China produced 23.35mt, more than four times the volume of second place USA. Six countries accounted for almost 65 percent of the world total.

Regional Egg Production (all types)(million metric tons)

Region	2001	2015	2030
Asia	33.92	43.37	56.62
Africa	2.08	3.21	5.13
Europe	9.65	10.64	11.22
N/C America	7.81	8.76	10.74
S America	2.92	4.13	5.82
Oceania	.22	.34	.41
World	56.94	70.44	89.94

The Food and Agricultural Organization (FAO) forecasts world production of all eggs to exceed 70 million metric tons in 2015 and 90mt in 2030. Currently World production is around 57mt.

Source: www.wattpoultry.com

Thailand Bans Some Feed Ingredients/Complete Feeds

On December 17, 2002, the Thai Department of Livestock Development (DLD) began to ban the imports of any feed ingredients and/or complete feed, which contain any part of poultry products/by-products and originate from the State of California, U.S., and the State of New South Wales, Australia. The ban coverage will include other states in these two countries if they are reported to have Newcastle disease outbreaks by the Office International des Epizooties (OIE). The DLD also requires that the imports of these products from other unaffected states in these two countries must be subject to the official health certification stating that the state of origin is free of Newcastle disease.

The DLD claimed that this action is based on the OIE's reports on the outbreak of Newcastle disease in Sydney, New South Wales, Australia, and Los Angeles, California, U.S.A.

This move will definitely affect the U.S. exports of poultry meals and mixed feed containing poultry products/by-products into Thailand. The U.S. exports of meat and bone meal (including poultry meals) into Thailand in the first ten months of 2002 (Jan-Oct) totaled US\$ 7.74 million. Trade sources reported that the imports of poultry meal account for 20-25 percent of total U.S. meat and bone meal imports. Meanwhile, the U.S. exports of mixed feed into Thailand (Jan-Oct 2002) were US\$ 22.72 million.

Source: USDA/FAS

Newcastle Update

The U.S. Department of Agriculture announced on January 8, 2003, that it has expanded quarantine boundaries for exotic Newcastle disease (END) in specific areas of southern California. USDA and the California Department of Agriculture (CDFA) have been working jointly with the poultry industry and residents to prevent the spread of the disease. The expanded quarantine creates a buffer zone around END infected sites and provides additional security against spread of the disease. To do this, additional quarantines are immediately being imposed on noninfected counties adjacent to those counties infected with disease.

The expanded quarantine boundaries encompass those counties with END-positive flocks: Los Angeles, Riverside, San Bernardino and San Diego. Additional counties include Santa Barbara, Ventura, Imperial, and Orange. This action also quarantines portions of infected counties that were not previously under quarantine.

Sources: USDA/APHIS, California Department of Agriculture

U.S.-Central American Free Trade Agreement

U.S. Trade Representative Robert B. Zoellick and ministers from Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua announced the launch of negotiations on an agreement to eliminate tariffs and other barriers to trade in goods, agriculture, services, and investment between the United States and Central America. Working-level negotiations on this U.S.-Central American Free Trade Agreement, or CAFTA, will begin in San José, Costa Rica, on January 27. The participants will seek to complete the negotiations by December 2003.

<http://www.ustr.gov/new/fta/cafta.htm>

Creation of Tariff Lines for Chicken Leg Quarters

The Secretariat of Economy (SE) published on December 31, 2002, in the Diario Oficial (Federal Register), a decree creating new tariff lines for chicken leg quarters.

Legs, thighs or leg quarters		Unit of Measure	Ad-Valorem Import Export	
0207.13.99	Fresh or chilled	Kg	240	Ex
0207.14.04	Frozen	Kg	240	Ex

The SE had published a resolution that began the investigation of bilateral safeguard measures on imported U.S. chicken leg quarters, classified under tariffs 0207.13.99 and 0207.14.04. Since these classifications were for "Other" chicken products, the Federal Government is creating specific lines for chicken leg quarters, and now, the new tariff lines will replace the old ones. The tariffs listed above do not apply to imports of U.S. leg quarters. Imports of U.S. leg quarters are subject to zero duty as of January 1, 2003.

Source: USDA/FAS

Inspected Egg Products-U.S. & Canada Export/Import Trade**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

	Week Ending December 28, 2002		Year-To-Date	
	2002	2001/1	2002	2001
Liquid	262	252	20,682	13,372
Frozen	0	0	21	78
Dried	0	0	912	464
Total	262	252	21,615	13,914

U.S. Imports From Canada, in Pounds (000) (Preliminary)

	Week Ending December 28, 2002		Year-To-Date	
	2002	2001/1	2002	2001
Liquid	22	2	6,034	5,943
Frozen	0	38	3,399	1,844
Dried	0	0	5,135	628
Total	22	40	14,568	8,415

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

	Week Ending December 28, 2002		Year-To-Date	
	2002	2001 /1	2002	2001
Jumbo	50	0	1,722	87
Extra Large	600	150	56,935	74,904
Large	3,330	2,100	153,923	157,031
Medium	1,619	1,400	52,032	47,244
Ungraded	0	750	373,975	452,890
Misc	0	900	14,737	71,984
Total	5,599	5,300	653,324	804,140

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

10-JAN-2003				
CHICKEN	PRICES		VOLUME	
	(Cents per Pound)			

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

10-JAN-2003				
	PRICES		VOLUME	
	(Cents per Pound)			

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	13.00	81,600	-
WTD AVERAGE		13.00		
15-20%				
RANGE	10.00-14.00	10.00-14.00	1,932,400	814,800
WTD AVERAGE	11.63	10.68		
20% OR MORE				
RANGE	-	13.00	40,800	-
WTD AVERAGE		13.00		

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

LIVE POULTRY SLTRD UNDER INSPECTION

W/E 28-Dec-02

****Note that data is for week ending 12/28/02****

(PRELIMINARY)	U.S. FOWL SLAUGHTERED DOMESTICALLY		
	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		

HEAD	967	678	1,645
LAST WEEK	1,782	1,442	3,224
SAME WEEK YR AGO	1,176	818	1,994
TO-DATE/2002	89,440	72,815	162,255
TO-DATE/2001	92,154	71,478	163,632

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		

HEAD	101	0	101
LAST WEEK	341	11	352
SAME WEEK YR AGO	193	0	193
TO-DATE/2002	15,282	308	15,590
TO-DATE/2001	20,976	301	21,277

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,068	678	1,746
LAST WEEK	2,123	1,453	3,576
SAME WEEK YR AGO	1,369	818	2,187
TO-DATE/2002	104,722	73,123	177,845
TO-DATE/2001	113,130	71,779	184,909

SOURCE: USDA/AMS PLTRY PROGRAMS, MRKT NEWS BR.

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

10-JAN-2003				
CHICKEN	PRICES		VOLUME	
	(Cents per Pound)			

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

10-JAN-2003				
	PRICES		VOLUME	
	(Cents per Pound)			

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	13.00-15.00	13.00	588,000	468,000
WTD AVERAGE	14.42	13.00		
15-20%				
RANGE	11.00-13.00	10.50-12.00	1,280,000	-
WTD AVERAGE	12.05	11.14		
20% OR MORE				
RANGE	-	11.00	120,000	-
WTD AVERAGE		11.00		

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 10 JANUARY 2003.

The trade sentiment on tom breast meat was steady to instances weak with some increased confidence noted by some industry members while others continued to note a wait and see attitude on frozen by some buyers. Demand light to instances fair. A heavy volume of open price frozen tom breast meat traded with 118 cent floors and 123 cent ceilings for January - February shipments. Offerings adequate to ample. The undertone on frozen destrapped tenderloins showed signs of improvement with some sellers noting increased buyer inquiry at current price levels. Some frozen destrapped tenderloins traded at 106 cents delivered January - February. The undertone on thigh meat was mixed with some industry members showing strength in the market while others discount product to move it. Demand in a full range on thigh meat. Offerings uneven with new production held with the most confidence.

FRIDAY, JANUARY 10, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	15.50-25.00		19.14	396	18.56	1,712
WINGS FULL-CUT - TOMS		W	19.86	288	19.86	288
WINGS, V-TYPE, TOM	19.50		19.50	104	19.50	104
TAILS		W	19.00	80	19.00	80
MECHANICALLY SEPARATED 2/		W	14.50	120	14.50	120
THIGH MEAT - FROZEN	60.00		60.00	120	50.14	804

THURSDAY, JANUARY 09, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	15.00-19.00		17.48	548
WINGS FULL-CUT - TOMS		W	19.86	288
WINGS, V-TYPE, TOM		F	22.11	432
TAILS		W	19.00	80
MECHANICALLY SEPARATED 2/		W	14.50	120
THIGH MEAT - FROZEN	43.00-52.00		45.23	484

WEDNESDAY, JANUARY 08, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	17.00-24.00		19.23	648
WINGS FULL-CUT - TOMS	17.00-26.00		19.86	288
WINGS, V-TYPE, TOM		F	22.11	432
TAILS	19.00		19.00	80
MECHANICALLY SEPARATED 2/	14.50		14.50	120
THIGH MEAT - FROZEN	52.50-60.00		57.50	120

TUESDAY, JANUARY 07, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	18.00		18.00	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	22.11	432
TAILS		F	17.00	80
MECHANICALLY SEPARATED 2/				
THIGH MEAT - FROZEN		M	54.00	80

MONDAY, JANUARY 06, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	17.97	264
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	22.11	432
TAILS		F	17.00	80
MECHANICALLY SEPARATED 2/				
THIGH MEAT - FROZEN	54.00		54.00	80

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY 2/
Product contains 15-20% fat with skin added.

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